

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
May 16, 2017**

The Honorable City Council met in a regularly scheduled Council meeting on the above date in the Council Chambers, 55 West Williams Avenue, Fallon, Nevada.

Present:

Mayor Ken Tedford
City Councilman, Robert H. Erickson
City Councilwoman, Kelly Frost
City Councilman, James D. Richardson
City Engineer, Michael E. Miller
Police Chief, Kevin Gehman
City Clerk, Gary C. Cordes
Deputy City Attorney, Leonard E. Mackedon
Deputy Public Works Director, Ryan A. Swirczek

The meeting was called to order by Mayor Tedford at 7:00 p.m.

Mayor Tedford led the Pledge of Allegiance.

Mayor Tedford inquired if the agenda had been posted in compliance with NRS requirements.

City Clerk Cordes advised that the agenda was posted in compliance with NRS 241.

Approval of Warrants

- A) Accounts Payable
- B) Payroll
- C) Customer Deposit

Mayor Tedford inquired if there were any comments regarding the accounts payable, payroll and customer deposit warrants.

No comments were noted.

Councilwoman Frost motioned to approve the accounts payable, payroll and customer deposit warrants and authorize the Mayor to sign the same; seconded by Councilman Erickson and approved with a 3-0 vote by the Council.

Public Comments

Mayor Tedford inquired if there were any public comments. He noted that comments are to be general in nature, not relative to any agenda items. No action may be taken on a matter raised under this

item until the matter has been specifically included on an agenda as an item upon which action will be taken.

No public comments were noted.

Public Hearing: Tentative Budget for June 30, 2018

City Clerk Cordes explained that “NRS 354.598 indicates that the City of Fallon City Council shall hold a public hearing on the tentative budget, at which time interested persons must be given an opportunity to be heard. The budget has been available for inspection at the Churchill County Clerk’s Office and the City Clerk’s Office since April 17, 2017. The City Clerk’s Office has not received any written correspondence relative to this agenda item.

City Clerk Cordes distributed a memo dated April 26, 2017 which noted that a letter from the Department of Taxation indicated they reviewed our budget and found it to be in compliance with the law and appropriate regulations. *[The memo is attached to these minutes.]* There are four corrections that will be made to the final budget.

The corrections are as follows:

- On page 6 of the budget, the submitted assessed valuation for FY 2016 indicated \$167,834,068. The correct amount is \$167,384,068.
- On page 24 of the budget, the submitted budget for the Parking Lot Fund indicated a capital outlay of \$7978 and ending fund balance of \$0. The correct amounts are capital outlay of \$0 and ending fund balance of \$7978.
- On page 45 of the budget, the submitted budget for the schedule F-2 statement of cash flows for the Sewer Fund indicated net decrease in cash of \$160,307. The correct amount of the net decrease is \$156,307.
- On page 51 of the budget, the submitted budget for the Water Treatment Fund Schedule F-2 statement of cash flows indicated net increase in cash of \$80,993. The correct amount of net increase in cash is \$81,193.

City Clerk Cordes reminded that this agenda item is for discussion only.”

Mayor Tedford inquired if the Council had any comments or questions.

Councilman Richardson noted that the numbers on page 51 may still need to be corrected. The memo is correct but the actual budget still has the old numbers.

City Clerk Cordes noted that the amount on the memo is the correct amount and the final budget will include the corrected numbers. The tentative budget in the agenda packet would still have the old, incorrect numbers. They will be corrected for the final budget.

Councilwoman Frost confirmed that the correct amounts listed on the memo will be properly inserted into the final budget.

City Clerk Cordes advised that the numbers will be properly inserted.

Mayor Tedford stated that this was a public hearing and inquired if there were any public comments or questions.

No public comments were noted.

Public Hearing: Resolution No. 17-7: A RESOLUTION AUTHORIZING AN INSTALLMENT PURCHASE AGREEMENT IN AN AMOUNT NOT TO EXCEED \$270,000 FOR THE PURPOSE OF ACQUIRING A POLICE DEPARTMENT RADIO SYSTEM TO BE USED BY THE CITY’S POLICE DEPARTMENT; DIRECTING THE OFFICERS OF THE CITY TO FORWARD MATERIALS TO THE DEPARTMENT OF

TAXATION OF THE STATE OF NEVADA; PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; AUTHORIZING THE CITY STAFF TO NEGOTIATE AN INSTALLMENT PURCHASE AGREEMENT IN THE MAXIMUM AMOUNT NOT TO EXCEED \$270,000; AND PROVIDING THE EFFECTIVE DATE HEREOF

Deputy City Attorney Leonard Mackedon explained that the Police Department's communications equipment is very old and economically not repairable due to newer generations of equipment and the incompatibility of replacement parts. Therefore, it is required that the system be updated. Chief Gehman has selected the Motorola system to replace the existing system. The maximum purchase price is \$270,000 with an interest rate not to exceed 6.5%.

Chief Gehman explained that the system runs on a primary radio station in the dispatch center as well as the cars, portables – our entire communications system. We identified it as nearing end of life but it decided it was going sooner. We had some replacement parts that they actually had to get in the used market. We lost two of our three channels a couple weeks ago. We are using the same provider as previously, Sierra Electronics; they designed the initial system and they will be doing the design function on this system because it includes different repeaters placed throughout the City so it will take care of all those, and the antennas, plus the downstairs hardware and the company equipment in the dispatch center.

Mayor Tedford noted that we were in a precarious position with the loss of some of that equipment and we still are because we are not where we should be. This is a sensible purchase, with payment terms for local government agencies.

Mayor Tedford inquired if the Council had any comments or questions.

Councilwoman Frost asked how old the current system was.

Chief Gehman stated that he believed the current system was 15 years old.

Councilman Richardson asked if this purchase included handhelds and car-mounted units.

Chief Gehman said no, just the hardware to transmit and receive. The car radios are fine and the portables are fine. They do not need to be replaced.

Councilman Richardson clarified that this is more for infrastructure.

Chief Gehman replied affirmatively.

Councilman Richardson asked if the City paid for the frequencies or secured permission to use them.

Chief Gehman stated that he knew the City received permission from the FCC but was not sure if they were licensed frequencies.

Deputy Public Works Director Swirczek advised that the City's frequencies are licensed and the fees are waived for government agencies.

Mayor Tedford stated that this was a public hearing and inquired if there were any public comments or questions.

No public comments were noted.

Councilman Erickson motioned to adopt Resolution No. 17-7: A RESOLUTION AUTHORIZING AN INSTALLMENT PURCHASE AGREEMENT IN AN AMOUNT NOT TO EXCEED \$270,000 FOR THE PURPOSE OF ACQUIRING A POLICE DEPARTMENT RADIO SYSTEM TO BE USED BY THE CITY'S POLICE DEPARTMENT; DIRECTING THE OFFICERS OF THE CITY TO FORWARD MATERIALS TO THE DEPARTMENT OF TAXATION OF THE STATE OF NEVADA; PROVIDING CERTAIN DETAILS IN CONNECTION THEREWITH; AUTHORIZING THE CITY STAFF TO NEGOTIATE AN INSTALLMENT PURCHASE AGREEMENT IN THE MAXIMUM AMOUNT NOT TO EXCEED \$270,000; AND PROVIDING THE EFFECTIVE DATE HEREOF; seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

Consideration and Possible Adoption of Resolution No. 17-8: A resolution authorizing a temporary interfund loan from the Water Treatment Enterprise Fund to the Airport Fund in the amount of Ninety-Seven Thousand Dollars (\$97,000.00)

City Clerk Cordes explained that, “in order to make a proper interfund loan, the City must comply with NRS 354.6118 and NAC 354.290.

Pursuant to NRS 354.6118, before making an interfund loan, the Honorable City Council must determine at a public hearing that: (a) a sufficient amount of money is available for the loan and that the money is not restricted as to its use; and (b) the loan of the money will not compromise the economic viability of the fund from which the money is loaned. The Honorable City Council must also establish: (a) the amount of time the money will be on loan from the fund; (b) the terms and conditions for repaying the loan; and (c) the rate of interest, if any, to be charged for the loan.

Pursuant to NAC 354.290, the Honorable City Council may make a temporary interfund loan if; (a) the governing body complies with NRS 354.6118; (b) any money for the loan which is obtained from the proceeds from the sale of a bond is used only for the purposes set forth in the bond ordinances; (c) the loan is not made from any debt service or from any fund established or maintained as a fund dedicated to the payment of bonded debt and interest; (d) the resolution authorizing the loan specifies whether interest will be charged and the rate thereof, if any; (e) it is agreed in writing that the loan must be repaid within 1 year after the date on which the loan was made; (f) a copy of the resolution authorizing the loan is filed with the Department of Taxation; and (g) the governing body agrees to notify the Department when the loan has been repaid.

On page 1 of Resolution No. 17-8 is the findings of facts and determinations.

A public hearing was held May 16, 2017 and was properly agendized.

A sufficient amount of money is available in the Water Treatment Enterprise fund for the loan. The current balance exceeds \$600,000.

The loan from the Water Treatment Enterprise Fund will not compromise the economic viability of the Water Treatment Enterprise Fund.

No money from the loan will be obtained from the proceeds of the sale of the bonds.

The loan will be made from the Water Treatment Enterprise Fund and not from any debt service fund and not from any fund established or maintained as a fund dedicated to the payment of bonded debt and interest.

It has been agreed to in writing that the loan must be repaid within one year from which the loan is made.

This concludes the findings of facts and determinations.

On page 2 of Resolution No. 17-8 are the terms and conditions of the temporary interfund loan:

The loan shall be for a period not to exceed one year from the date on which the loan is made.

The loan will be repaid by the Airport Fund in payments of such amount and at such frequency as it is deemed appropriate, so long as said loan is repaid within one year from the date the loan is made. (The loan will be repaid when the City receives reimbursement from the FAA)

The loan shall not accrue any interest.

The City Clerk’s Office is directed to file a copy of this resolution with the Nevada Department of Taxation.

The City Council agrees to notify the Department of Taxation when the loan has been repaid.

Staff recommends a motion to adopt Resolution No. 17-8: A resolution authorizing a temporary interfund loan from the Water Treatment Enterprise Fund to the Airport Fund in the Amount of \$97,000.”

Mayor Tedford inquired if the Council had any comments or questions.

No comments were noted.

Mayor Tedford inquired if there were any public comments or questions.

No public comments were noted.

Councilwoman Frost motioned to adopt Resolution No. 17-8: A resolution authorizing a temporary interfund loan from the Water Treatment Enterprise Fund to the Airport Fund in the amount of Ninety-Seven Thousand Dollars (\$97,000.00); seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

Public Comments

Mayor Tedford inquired if there were any public comments.

No public comments were noted.

Council and Staff Reports

Deputy City Attorney Leonard Mackedon: No comments were noted.

Deputy Public Works Director Swirczek: No comments were noted.

City Clerk Cordes: No comments were noted.

Chief Gehman: Noted that he understood the radio system is a large expense and he appreciated the Council's approval.

City Engineer Miller: Advised that he submitted the permit application to the Nevada Department of Transportation for the traffic signal interconnect project.

Councilwoman Frost: No comments were noted.

Councilman Richardson: No comments were noted.

Councilman Erickson: No comments were noted.

Executive Session

Mayor Tedford tabled the executive session, as it was not needed at this time.

Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 7:50 p.m.

Attest:



Gary C. Cordes, City Clerk/Treasurer



Mayor Ken Tedford

Date: April 26, 2017

Memo To: Mayor & City Council
Cabinet

Memo From: City Clerk & Treasurer Cordes

Subject: Budget Approval & Corrections to June 30, 2018 Tentative Budget

Please see attached approval of 2017-2018 tentative budget from the Department of Taxation.

Please see attached corrections to the 2017-2018 tentative budget.

Correction 1. Page 6. The submitted assessed valuation for FY 2016 indicated \$167,834,068. The correct amount is \$167,384,068.

Correction 2. The submitted budget for the Parking Lot Fund indicated a Capital Outlay of \$7,978 and ending fund balance of \$0. The correct amounts are Capital Outlay of \$0 and ending fund balance of \$7,978.

Correction 3. The submitted budget for the Schedule F-2 Statement of Cash Flows for the Sewer Fund indicated net (decrease) in cash of \$160,307. The correct amount of the net (decrease) in cash is \$156,307

Correction 4. The submitted budget for the Water Treatment Fund Schedule F-2 Statement of Cash Flows indicated net increase in cash of \$80,993. The correct amount of the net increase in cash is \$81,193.



**STATE OF NEVADA
DEPARTMENT OF TAXATION**

Web Site: <http://tax.nv.gov>

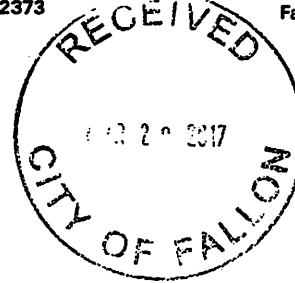
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April 26, 2017

Gary Cordes
City Clerk/Treasurer
City of Fallon
55 W Williams Avenue
Fallon Nevada 89406

Re: Tentative Budget – Fiscal Year 2017-18

Dear Mr. Cordes:

The Department of Taxation has examined your fiscal year 2017-18 tentative budget pursuant to NRS 354.596(5) and finds it to be in compliance with the law and appropriate regulations.

Please be reminded a proof of publication of the notice of the public hearing must be transmitted to the Department with your final budget per NRS 354.598 (3).

If you should have any questions, please do not hesitate to call me at (775) 684-2065. My e-mail address is hrose@tax.state.nv.us.

Sincerely,

Heidi N. Rose
Budget Analyst
Local Government Finance
Division of Local Government Services

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/16	ESTIMATED CURRENT YEAR ENDING 06/30/17	BUDGET YEAR ENDING 06/30/18
General Government	7	7	7
Judicial	6	5	5
Public Safety	41	41	41
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation	5	6	6
Community Support	4	4	4
TOTAL GENERAL GOVERNMENT			
Utilities	63	63	63
Hospitals	34	36	41
Transit Systems			
Airports			
Other			
TOTAL	97	99	104

POPULATION (AS OF JULY 1)	8645	8770	8874
Source of Population Estimate*	Department of Taxation	Department of Taxation	Department of Taxation
Assessed Valuation (Secured and Unsecured Only)	167,384,068	191,597,493	202,084,557
Net Proceeds of Mines			
TOTAL ASSESSED VALUE	167,384,068	191,597,493	202,084,557
TAX RATE			
General Fund	0.8271	0.8271	0.7971
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE	0.8271	0.8271	0.7971

* Use the population certified by the state in March. Small districts may use a number developed per the instructions (page 6) or the best information available.

City of Fallon
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA

	(1)	(2)	(3)		(4)
			BUDGET YEAR		ENDING 06/30/18
RESOURCES	ACTUAL PRIOR YEAR ENDING 06/30/2016	ESTIMATED CURRENT YEAR ENDING 06/30/2017	TENTATIVE APPROVED	FINAL	
REVENUES				APPROVED	APPROVED
Miscellaneous:					
Interest	2	-			
Subtotal	2	-			
OTHER FINANCING SOURCES					
Operating transfers In (Schedule T)					
BEGINNING FUND BALANCE					
Reserved					
Unreserved	7,976	7,978	7,978		-
TOTAL BEGINNING FUND BALANCE	7,976	7,978	7,978		-
Prior Period Adjustments					
Residual Equity Transfers					
TOTAL RESOURCES	7,978	7,978	7,978		-
EXPENDITURES					
Public Works:					
Capitol Outlay	-	-	-		-
Subtotal	-	-	-		-
OTHER USES					
CONTINGENCY (not to exceed 3% of total expenditures)					
Operating Transfers Out (Schedule T)					
ENDING FUND BALANCE					
Reserved					
Unreserved	7,978	7,978	7,978		-
TOTAL ENDING FUND BALANCE	7,978	7,978	7,978		-
TOTAL COMMITMENTS AND FUND BALANCE	7,978	7,978	7,978		-

City of Fallon
(Local Government)

SCHEDULE B - 3

FUND Parking Lot Fund

